

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:132

ANSWERED ON:30.11.2015

Rubber Growers

Jayadevan Shri C. N.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- a) whether there is a continued crash in the prices of rubber during the last three years and the current year;
- b) if so, the details thereof, year-wise; and
- c) the measures taken by the Government to help rubber growers in Kerala?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b): Government is aware of the decline in the prices of Natural Rubber (NR) caused primarily by fall in rubber prices in the international markets and the lower demand for the type of NR produced domestically. Main reasons for the decline of rubber prices in the international market are weak demand for NR due to moderating economic growth in China, Increase in world stock of NR particularly in Thailand and low oil prices resulting in low prices of synthetic rubber. However, the domestic rubber prices have generally stayed above international prices.

Details of prices of NR in the domestic and international market for the last three years are given below:

Prices of NR in the domestic and international markets (Rs./Kg)

Sheet rubber Block rubber Latex (60% drc)

Year/ Month Domestic

(RSS 4 Kottayam) Internati-onal

(RSS 3 Bangkok) Domestic

(ISNR 20 Kottayam) Internat-ional

(SMR 20

Kuala Lumpur) Domestic

(Kottayam) International

(Kuala Lumpur)

2012-13 176.82 175.76 168.17 160.89 117.72 111.64

2013-14 166.02 155.25 156.43 137.14 123.31 101.06

2014-15 132.57 112.71 114.40 96.04 94.46 77.07

Oct., 2015 114.10 86.28 102.64 81.98 86.66 62.60

(c) The Government has recently increased the duty on import of dry rubber from "20% or Rs 30 per kg whichever is lower" to "25% or Rs. 30 per kg. whichever is lower" w.e.f 30.4.2015. The Government has also reduced the period of utilization of imported dry rubber under advance licensing scheme from 18 months to 6 months. RSS (Ribbed Smoked Sheet) and TSR (Technically Specified Rubber) has been added in Merchandise Export from India Scheme (MEIS) which would make them eligible for an incentive at the rate of two per cent for exports vide DGFT Public Notice No. 44/2015-20 dated 29 October 2015.
